

## NEWS RELEASE

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### Idaho Jobless Rate Drops for Third Straight Month

Idaho's seasonally adjusted unemployment rate edged down another tenth of a percentage point to a forecasted 9 percent in May as employers across the economy took on new workers in what was close to a normal seasonal pattern.

It was the third month in a row Idaho's jobless rate has fallen after 31 straight monthly rate increases dating back to August 2007. And while May's rate was down from its peak of 9.5 percent in February, it still remained higher than at any other time since June 1983.

"The decline was modest, but it continues what appears to be a downward trend and another sign the worst of the recession may be past," said Idaho Department of Labor Senior Analyst Eduardo Silva, who develops the monthly unemployment rate forecast.

Nationally, the unemployment rate dropped two-tenths of a point to 9.7 percent. May was the 104<sup>th</sup> consecutive month - eight years and eight months - that Idaho's unemployment has been below the national rate.

Idaho employers hired nearly 10 percent more workers in May than they did in May 2009, boosting private sector employment by more than 5,000 over April. Government added another 2,000 jobs - a large number for census follow-up - increasing total nonfarm jobs to only a half percentage point below May 2009 and creating the smallest year-over-year job gap since September 2008. The gap bottomed out at 7.5 percent last August - a loss of nearly 50,000 jobs.

May's near-normal hiring pushed Idaho's total employment to 693,000. It was the fifth monthly increase in employment, and May's total was 2,300 more workers on the job than in May 2009, marking the first substantial year-over-year increase in total employment since the recession began in December 2007.

More than half of Idaho's counties posted declines in unemployment rates from April, and the number with double-digit rates dropped from 14 to 10. Valley County had the highest rate at 14.3 percent, but it was still down more than three full percentage points from April. Two counties - Clark and Onieda - dropped below 5 percent, marking the first time since last September that at least two counties had rates below 5 percent.

Despite May's increased hiring activity, more than 68,000 Idaho workers were without jobs last month. While that was down from 69,500 in April, it remained the highest level of unemployed at any time prior to 2010.

About 4,000 workers have already exhausted state and federal unemployment benefits without finding work. Depending on past wages, those weekly benefits run from a minimum of \$72 for up to nearly 38 weeks to a maximum of \$334 for up to 99 weeks.

Congress, however, failed to extend the federal benefits before recessing last month. Those extensions provide benefit payments beyond the 10 to 26 weeks available under the regular state unemployment program. As a result, at least another 2,500 workers received their last benefit payments this week - and that number will increase weekly - unless Congress extends the federal program. About 44,000 workers a week have been collecting over \$11 million in benefits this spring.

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The only job declines in Idaho from April to May were in education and health care, and those followed the seasonal pattern.

Economic activity was up throughout the state. Idaho's rural areas, which did not benefit as greatly from the economic expansion in the mid-2000s, appear to be stabilizing more quickly than the urban centers. The state's largest metropolitan area, Boise, accounts for over 40 percent of the state's nonfarm jobs but picked up only 27 percent of the new jobs in May. While the statewide job gap was at 0.5 percent in May, jobs in the Boise metro area were still 2.4 percent below May 2009.

### Seasonally Adjusted Forecast Data

	5/10	4/10	5/09
Civilian Labor Force	761,400	760,600	748,100
Unemployment	68,300	69,300	57,300
% Labor Force Unemployed	9.0	9.1	7.7
Total Employment	693,100	691,300	690,800

### Unadjusted Forecast Data

	5/10	4/10	5/09
Civilian Labor Force	757,800	757,100	750,300
Unemployment	63,400	68,300	65,600
% Labor Force Unemployed	8.4	9.0	8.7
Total Employment	694,400	688,800	684,700

### Area Unemployment Rates

	5/10	4/10	5/09
Boise City-Nampa MSA	10.0	10.0	9.1
Burley MicSA	7.2	6.9	5.0
Coeur d'Alene MSA*	9.9	9.9	7.9
Grangeville SLMA	8.8	10.4	7.7
Hailey SLMA	8.3	9.4	7.4
Idaho Falls MSA	6.8	6.8	5.4
Lewiston MSA	6.6	6.8	6.6
Pocatello MSA	8.4	8.4	6.4
Rexburg MicSA	6.9	6.6	5.6
Twin Falls MicSA	7.9	7.8	5.7